



Policy Memo	
KDHE-DHCF POLICY NO: COLA 2024	From: Erin Kelley, Senior Manager
Date: December 12, 2023	Medical KEESM/KFMAM Reference(s): 2675.4, 5130, 5331.1
RE: Implementation of 2024 SSA COLA	Program(s): All Medical Programs

The purpose of this memo is to provide implementation instructions for the 2024 Social Security Cost of Living Adjustment (COLA) mass change. Social Security announced that recipients of OASDI and SSI benefits will receive a 3.2% increase in benefit levels for 2024. The Medicare Part B premium will also be adjusted for some individuals. These increases are effective January 1, 2024; however, the COLA Batch will run in KEES for February 2024 benefits. Specific instances where the benefit month of January 2024 needs updated are addressed throughout this memo. As a result, Medicaid eligibility must be redetermined for all recipients who receive these benefits. Due to the COVID-19 Public Health Emergency (PHE), negative action may not be taken against any case that requires a review determination due to unwinding from the continuous enrollment criteria of medical programs. Staff must apply current COVID-19 policies and processing instructions when reviewing individuals impacted by this COLA batch.

1. BACKGROUND

This change is expected to impact over 80,000 Medicaid recipients and household members who receive SSI or Social Security benefits. To implement the changes related to the COLA, KEES will execute a mass update over the weekend of December 16, 2023. The mass change process systematically computes and budgets new income amounts, benefit levels, and other changes related to the COLA. The systematic update will allow for more efficient processing and will also enable staff to focus manual effort on high priority cases. This memo provides information and instruction for both the automated updates, as well as manual processing that may be necessary to accurately redetermine coverage and benefit levels.

2. KEES UPDATES

The COLA Mass Change process in KEES will identify and update all cases with new or changing medical condition records, SSI income, Social Security income, and Medicare expense amounts. Most programs impacted will then be selected for batch EDBC. Note that some programs will be excluded from batch EDBC, as indicated throughout this memo. Only those programs that have a change identified because of the COLA updates will be processed; programs that are not impacted by the COLA will not be redetermined. Pending program blocks will not be impacted.

A. MASS CHANGE COMPONENTS

The following components are included as part of the KEES Mass Change process:

- KEES tables updated with new limits
- Create Medical Condition Records
- Social Security income change
- Update SSI income Records from the SDX COLA file
- Medicare Expense Changes
- Batch EDBC – recalculating benefits
- Coordination with Reviews
- Generate Notices – Delayed Mailing
- Facility and LTC Provider Notification Process
- Manual Processes required for incorrect cases

B. DATA CLEAN-UP

Keep in mind that data in KEES will significantly impact the outcome of the resulting redetermination. Programs that have experienced an overridden EDBC or have incomplete data records may be adversely impacted by the mass change and will require special attention. These include programs with overdue action. When COLA batch EDBC runs, the determination may fail and result in manual work on the part of staff to ensure proper coverage is issued.

A significant number of cases have been identified for Pre-COLA Clean-Up work designed to target specific issues. These reports are used to identify cases where an incorrect outcome is likely. To minimize the negative or unexpected impact of a large batch job, it is crucial that staff follow instructions issued by KDHE Policy, KEES User Manual, and the KEES Help Desk when processing cases in KEES.

Anytime a case is identified for manual clean up with both Pre-COLA and Post-COLA, staff should strive to take action on any outstanding tasks or issues tied to the case.

3. SSI CHANGES

Social Security will adjust SSI benefit levels by 3.2% for individuals and couples beginning January 1, 2024, with EDBC running effective February 1, 2024. The following are the new benefit amounts:

Type	Previous Benefit	Benefit Eff 02-01-2024
Eligible Individual in Own Home	\$914.00	\$943.00
Eligible individual with Spouse in Own Home	\$1,371.00	\$1,415.00
Eligible Individual in Medicaid - Approved Institution	\$30.00	\$30.00
Eligible Individual with Eligible Spouse both in Medicaid – Approved Institution	\$60.00	\$60.00
Eligible Individual in Household of Another	\$609.33	\$628.67
Eligible Individual with Eligible Spouse both in Household of Another	\$914.00	\$943.33

The 300% SSI Limit for LTC increases from \$2,742.00 to \$2,829.00. Active recipients will see this change effective February 1, 2024, as this is when COLA batch EDBC will run. New applicants with a pending month of January 2024 will see the updated 2024 SSI limit for LTC effective January 1, 2024.

A. KEES INCOME RECORDS – SSI

As part of the Mass Change process, SSI income records will be automatically updated with information from the SDX COLA file. This file, received from Social Security in late November 2023, provides income amounts for all SSI recipients in the state of Kansas. KEES will use the information to update income information using the rules below.

If a new Income Record is added, it is added with an Income Type of 'Family Medical'. If it is updating an existing record, the current Income Type will be used. The current record will be automatically end dated effective 1/31/2024 and the new record will begin 2/1/2024. A new Medical Condition is added as 'SSI – Disabled'. The effective date of the new Medical Condition will be 2/1/2024.

I. PERSON WITH AN ACTIVE SSI INCOME RECORD IN KEES AND A NEW SSI INCOME AMOUNT IS ON THE FILE

The income amount will be updated with the new income amount detail record effective 2/1/2024.

Note: All of these individuals should be currently eligible with an SSI aid code, no change in coverage level is expected.

II. PERSON WITHOUT BOTH AN ACTIVE SSI INCOME RECORD AND MEDICAL CONDITION RECORD IN KEES AND AN SSI INCOME AMOUNT IS ON THE FILE

A new SSI income record will be created with an effective date of 2/1/2024. A new Medical Condition of 'SSI Disabled' will also be created with an effective date of 2/1/2024.

Note: These are likely new SSI recipients and coverage will be adjusted automatically by the COLA batch.

III. PERSON WITH AN ACTIVE SSI INCOME RECORD IN KEES AND NO SSI RECORD OR AN SSI RECORD INDICATING \$0 INCOME IS ON THE FILE

No adjustments will be made to the SSI income record for these individuals. A report will be created, and cases must be manually reviewed. These individuals must be reviewed to determine if they are still considered SSI recipients.

Note: These are likely individuals who will lose eligibility for SSI-related medical.

When processing these cases staff must consider the policy changes implemented by KDHE Policy Memo 2018-10-02, SSI Termination. Staff must consider if the SSI income change is temporary or permanent, if contact with SSA is necessary or if a new application is required. Staff are encouraged to utilize the desk aid, Eligibility Actions Following Loss of SSI Recipient Status as an aid.

When processing a case on or after November 17th (when January 2024 becomes an available month in KEES) for the benefit month of January 2024, eligibility staff shall enter the updated SSI income amount in KEES. For example, SSI income that is verified using the normal verification processes and updated on a case that is processed on November 24th for the month of January 2024 shall be updated by eligibility staff to reflect the new SSI income. Staff shall continue to use the 2023 SSI income amount for months processed prior to the January 1, 2024.

4. SOCIAL SECURITY BENEFIT ADJUSTMENT

Any Social Security benefit amount listed for a current, active program or program person will be automatically updated with the COLA mass change update with an effective date of February 1, 2024. The process will automatically calculate the new Social Security benefit amount based on

the amount that is active in KEES. The amount will be increased by the COLA, 3.2% in 2024, and the cents truncated. The following specifics apply to the SSA income adjustment:

- a) The new Social Security income amount will be calculated for each active income record in KEES. This includes individuals who are an active MEM or FRI on an active Program Block in KEES, and persons listed as a Dependent in the Dependents of LTC/Applicant/Member of Dependents of Spouse block on any LTC Data Detail page where the following are true:
 - i) The Name listed on the LTC Data Details page is an Active MEM on an LTC program block,
 - ii) The LTC Type is HCBS, Institutional Care, or PACE and the record is either high-dated or lists an end date (i.e. discharge, termination, or disenrollment date) greater than or equal to February 1, 2024,
 - iii) The End Date of the Dependent is high-dated or a date greater than or equal to February 1, 2024,
 - iv) The Dependent has a Household Status of In the Home, Temporarily Out of the Home, or No Household status exists,
 - v) The Date of Death of the Dependent is not Verified, in situations where the Dependent has passed away.
- b) As indicated in section 3.A above, when processing a case on or after November 17th for the benefit month of January 2024, eligibility staff shall enter the updated Social Security income amount in KEES.

COLA is designed to update all SSA records which do not have an effective date of January 2024 or greater. If a case is identified where an update was made to an incorrectly entered income record, the benefit shall be corrected.

While it is appropriate to enter the 2024 benefit amount, eligibility staff must also be mindful that some adverse actions may not be appropriate during the COVID-19 Unwinding Period. Please refer to PD2020-03-01, PM2020-04-01, PD2020-10-01, PM2020-11-01, PM2021-03-01, PM2023-03-02 V3, and PM2023-08-02 for more information. In situations where adverse action is appropriate, as indicated in the above-referenced policy documents, staff shall run EDBC to implement the COLA mass change. The COLA fragment from the Standard Text for Copy and Paste spreadsheet shall be added to the system-generated change notice.

- c) If the new COLA amount is not updated and the correct income is not budgeted, overstated eligibility may result. If this occurs, the case is recorded on the Overpayment Spreadsheet.
- d) For cases processed after the COLA run, the new amount is used for all months of 2024. For example, if processing a new application with a prior medical request received in

March, use the 2024 amount beginning January 2024. The 2023 amount is used for December.

- e) In the event a program is missed with the mass COLA SSA update for 2024, staff are responsible for ensuring the income record has been updated with the new amount. Although staff are not required to routinely check all cases for updates, the income record must be updated when utilizing operational checklists that require an income check. Income should be obtained through normal verification processes, including TPQY. If a current TPQY is not available immediately following the mass change, staff can calculate the new amount by multiplying the current SSA benefit amount by 1.032 and truncating to the whole dollar. For example, the current benefit amount on KEES is \$1,095.00. $\$1,095 \times 1.032 = \$1,130.04$. The amount to be entered in KEES is \$1,130.00.

5. OTHER INCOME CHANGES – GOVERNMENT PAYMENTS

Other government-issued benefits are also anticipated to increase in 2024. These include changes to Civil Service Retirement benefits, pensions, Veterans Administration benefits, Railroad Retirement benefits, and other unearned income. These changes must be completed and budgeted according to the information below. While it is appropriate to enter the 2024 benefit amount, eligibility staff must also be mindful that some adverse actions may not be appropriate during the COVID-19 PHE Unwinding Period. Please refer to PD2020-03-01, PM2020-04-01, PD2020-10-01, PM2020-11-01, PM2021-03-01, PM2023-03-02 V3, and PM2023-08-02 for more information. In situations where adverse action is appropriate, as indicated in the above-referenced policy documents, staff shall run EDBC to implement the COLA mass change. The COLA fragment from the Standard Text for Copy and Paste spreadsheet shall be added to the system-generated change notice.

A. RAILROAD RETIREMENT BENEFITS

KDHE has requested verification of new benefit amounts from the Railroad Retirement Board (RRB) for consumers receiving these benefits. Once received, the individual benefit letters that verify the new RRB amounts must be imaged to the case with a Document Type of 'Income'. In addition, a new income detail record amount must be created with an effective date according to the date of the action following timely notice requirements.

B. VETERANS INCOME

KDHE has requested verification of new Veterans benefit levels from the Veterans Administration (VA); however, it is unclear if the VA will provide updated benefit amounts for 2024. If information is received from the VA as a response to the request, the individual benefit letters that verify the new amount are imaged to the case file with a Document Type of 'Income'. A new income detail record must be created with an effective

date according to the date of the action following timely notice requirements. If the VA does not respond, it will be necessary for the consumer to report the new amount according to the Change Reporting rules of Medical KEESM 9100 and KFMAM 7130. If benefit changes were not reported timely by the consumer, staff must obtain verification of the new VA benefit at the next scheduled review. In these situations, staff must evaluate the case for potential overstated eligibility.

C. CIVIL SERVICE AND OTHER BENEFITS

Although other benefits may also increase, there are no centralized actions planned to obtain the new information. Consumers are expected to report any changes in benefit levels according to the Change Reporting rules of Medical KEESM 9100 and KFMAM 7130. Benefit changes in January must be reported and implemented no later than February 2024. If the benefit changes were not reported by the consumer timely, verification must be obtained no later than the next review. In these situations, staff must evaluate the case for potential overstated eligibility.

6. MEDICARE EXPENSE UPDATES

The standard Medicare Part B premium for 2024 will increase from \$164.90/month to \$174.70/month for persons who have less than \$88,000/year (\$176,000 for couples). Persons with higher incomes may pay a higher premium. Some individuals may continue to pay a reduced premium due to the 'hold harmless' provision that established a Medicare B premium below the standard. This was due to a low SSA COLA in 2017 that capped an individual premium increase to the amount of the SSA increase. Those individuals will see an increase in their Medicare B premium this year, but in rare instances, will not rise high enough to reach the standard. Example: An individual with a premium of \$104.90 in 2016 would have a standard premium of \$134/month in 2017. Her Social Security was \$300 in 2016. She received a \$1 COLA in 2017. Because she only received a \$1 COLA increase, the Medicare premium cannot increase more than \$1. Resulting in a Medicare B premium of \$105.90 in 2017. Her 2018 Social Security increase was \$7.00. The meant her Medicare B premium rose by \$7.00 to \$112.90, an amount below the standard. In 2019, her COLA increase is \$8.00, meaning her Medicare B premium will be \$120.90. Some beneficiaries will continue to pay a reduced amount of Medicare B premium for subsequent years.

Note that the premium for all persons on Buy-In is the standard premium of \$174.70/month regardless of the 'hold harmless' rules.

COLA mass change will automatically adjust all Medicare Part B premiums to \$174.90 effective February 2024. The batch will replace any existing Medicare premiums below \$174.70 with the base premium amount. All batch records will be created as 'State Pay'.

Although the new amounts will be updated on all cases with an active Medicare Expense record, because the Medicare premium amount only impacts the budget when Medicare Buy-In is not anticipated, this is expected to impact few cases. In situations where Medicare Buy-In is not applicable, staff shall verify the correct Medicare Part B premium is allowed the next time the case is touched.

The Mass Change process will not impact the Part D premium in KEEs; however, staff must ensure the correct Medicare Part D premium is allowed. A current recipient is responsible for reporting any change in their Part D premium. The premium the individual will pay as a LIS eligible is allowable. When that amount is not available, the current premium less the Part D Benchmark is allowed. The benchmark is only allowed on initial applications where Buy-in has not yet occurred. In 2024, the Part D Benchmark is \$43.31/month. This is allowable beginning with the first month the individual is eligible for Medicaid or an MSP program. Staff are not expected to adjust this amount unless specifically reported by the consumer.

7. OTHER INSURANCE PREMIUM CHANGES – INCLUDING BC/BS OF KS PREMIUMS

Current recipients whose health insurance premium changes are responsible for reporting those changes. In most cases, those premium changes (once verified) are allowable the month following the month of report. For new applicants, verification of the new premium must be obtained from the consumer. The new premium is generally allowable beginning the month following the month of report.

8. BATCH EDBC

The COLA Mass Change process will identify all medical program blocks impacted by the income and/or Medicare updates described above and process an automatic Batch EDBC. The Batch EDBC will run with a special EDBC run reason of 'COLA'. As a result of the Batch EDBC, changes in coverage, including aid codes, base periods and cost sharing could result. These changes must be reviewed and PD2020-03-01, PM2020-04-01, PD2020-10-01, PM2020-11-01, PM2021-03-01 COVID-19 PHE policies, along with PM2023-03-02 V3 and PM2023-08-01 Unwinding Policies applied appropriately. These cases should be reviewed for the following changes:

A. NEW ELIGIBILITY

New or different eligibility could occur as a result of the Mass Change. This could mean a change in Aid Code and/or Benefit Plan. Careful attention should be given to any case experiencing a change in either. A report of all cases with suspect results will be provided. Note: The batch should never produce brand new eligibility for any individual. For example, a person should not move from a FRI to a MEM due to the mass change. If cases are discovered where this appears to have occurred, a KEEs ticket is to be created.

B. CONTINUOUS ELIGIBILITY (CE) PERIOD

Program blocks with expired CE periods are being excluded from the batch EDBC, so new CE periods should not result from the COLA batch EDBC. For programs where all individuals are within an existing CE period, the Batch EDBC will execute, and any coverage change that occurs will follow existing KEES rules and is considered appropriate. Cases where coverage changes have occurred will be included on the suspect eligibility report.

C. COST SHARING

When income is recalculated, cost sharing responsibilities will likely change too. Cases could experience a change in spenddown amount, patient liability, client obligation, participant obligation, or premium. Cases with correctly entered Income Allocation, Medicare Expenses and other Medical Expenses may also impact cost sharing. New cost sharing amounts are calculated with the Batch EDBC and will be communicated to the member, MCO, and LTC entity accordingly (see section 9.C. below). Special attention should be given to any case that has a large cost sharing change. This is true of CHIP cases as well. Reports will be provided of all cases with unusual cost sharing changes.

D. DISCONTINUANCE

The COLA EDBC should never result in any member being discontinued. The batch is programmed so that a Read Only EDBC is the outcome for any case that resulted in a discontinued program or individual.

These cases require manual review. The Read Only EDBC is generally the result of incorrect or inconsistent data in KEES and the data must be corrected for the program to execute properly. Instructions provided for the Pre-COLA clean up can be used when processing these cases post-COLA. If an actual discontinuance results, the person/program may be discontinued (if allowed by COVID-19 PHE or Unwinding policies) but must be given timely and adequate notice. Reports of cases with Read Only EDBC will be provided.

9. NOTICES

As part of the EDBC Batch process, a notice will be generated for any identified change. These will include changes in aid code and benefit plan as well as new base periods and changes in cost sharing. Notices are to be generated for the recipient as well as any appropriate Administrative Role(s). Notices will not be generated for any facility, HCBS MCO, or PACE entity (See Section 9.C. below).

A. SPECIAL PROCESSES

Special processes have been developed for notices generating from the COLA batch to provide for the following concerns:

- (1) The COLA batch is running over the weekend of December 16, 2023, with changes effective February 2024; additional changes may take place in the interim that require further action. Multiple notifications may confuse the recipient.
- (2) Notices that are generated from the batch may be incorrect and require changes.

B. DELAYED MAILING

Notices produced from batch EDBC will not be mailed immediately. Notices will be held for a later release to give staff time to review and delete any incorrect notices. Although COLA notices will generate and be viewable on the Distributed Documents page, notice mailing will occur the evening of January 12, 2024.

Notices generated from the batch will be placed in an 'ON HOLD' status. This will allow the user to review the notice and, if necessary, delete the notice and generate an appropriate notice. Staff will not be able to modify the COLA notice but must delete an incorrect notice. Once deleted, a change notice will usually generate upon running EDBC and, if the resulting notice is appropriate, a COLA-specific fragment shall be manually added to the notice. The Standard Text for Copy and Paste spreadsheet has been updated with the new fragment. Additional information regarding the specific steps will be provided in training material.

Staff will have through close of business (KEES availability) January 12, 2024, to delete any notice. After that date, any notice that is in 'On Hold' status will be targeted for mailing. Staff cannot delete any notices after this date. Notices will be sent to the Central Printer for mailing. Mailing is expected to take several days but will be completed prior to the negative action deadline.

Note: Notices recreated through a 'normal' EDBC by eligibility staff will not be held. Those notices will be mailed according to the general mailing schedule.

C. FACILITY NOTICES

As indicated above, individual facility notices are not generated out of the batch. Facilities will be notified of any liability change through a special report. On or about December 28, a list of all recipients with a liability change as a result of Mass Change will be included on a special report. Each facility will receive a special report. The report will list the new liability for each resident and the effective date. A similar report will be provided for each

MCO for HCBS as well as each PACE entity. The reports will be mailed from Central Office. Because these reports are generated based on the LTC provider listed on the LTC Data Details page, it is critical that staff ensure the provider listed on the LTC Data Details page is correct.

10. JOURNAL

As part of the COLA batch process, an automated journal entry will be written to the case. The journal entry reads:

'As part of the COLA Batch process, updates were made to the COLA specific Data Collection records'

Staff should create journal entries for any additional action taken that may be related to COLA.

11. SPOUSAL IMPOVERISHMENT/INCOME ALLOCATION

The cost-of-living adjustments may have an impact on the amount of income being made available to a community spouse through the spousal impoverishment/income allocation provisions. If the community spouse is also an OASDI recipient, the increase could impact the amount being made available if the maximum permitted income allowance amount has not been reached. KEES will recalculate the amount of the allocation automatically, but the result may not be correct. There are several issues to consider:

- a) The SSA income of the community spouse must be adjusted due to the COLA increase. As indicated in sections 3 and 4 above, updates to the SSA and SSI income will be applied during COLA to all case persons who are also LTC Dependents on an Active Member's high-dated LTC Data Detail record. In the event a case is missed with the mass COLA SSA update for 2024, staff are responsible for ensuring the community spouse, and other dependents, SSA income has been adjusted. The new amount can be obtained from EATSS, the case file, or can be computed as per 4(e) above.
- b) If the community spouse has other income, staff should check the case record to determine if any new amounts have been reported and utilize those amounts in the budget. Other income must be verified at the next review.
- c) For cases that do not appear to have requested income allocation, it is appropriate for staff to assume this is correct unless a non-zero patient liability/obligation results from the mass change. In these cases, it is necessary to research the case file to determine if an allocation request was made.
- d) All cases potentially eligible for allocation must be manually reviewed by staff. A report will be provided.

e) It is important to evaluate the income included with the final budget by viewing the LTC Allocation Detail page from the EDBC.

f) The new spousal impoverishment standards, listed below, are implemented effective January 2024.

i) Maximum Community Spouse Income Allowance:	\$3,853.50
ii) Excess Shelter Deduction:	\$277.50
iii) Maximum Community Spouse Resource Allowance:	\$151,140.00
iv) Minimum Community Spouse Resource Allowance:	\$38,828.00

12. PROGRAM SPECIFIC INSTRUCTIONS

A. PROTECTED MEDICAL GROUPS

KEES has been updated with new multipliers for the Protected Medical Groups for 2024. Cases that are correctly coded in KEES should be redetermined as part of the mass change. In addition, cases may be newly approved for a PMG group as part of the mass change. In these situations, any existing medically needy base period will end. These cases must be reviewed to ensure the action is correct.

Cases with improper KEES coding may experience a change in coverage. This will generally require manual processing. Although the mass change results may have placed them in a new aid code, this result is incorrect in most cases. Staff must review these cases and ensure KEES is properly updated. For converted cases, information regarding the original determination will be necessary to complete this step.

For cases that may be newly PMG eligible, staff must follow the processes outlined in KDHE Policy Memo 2018-10-01, SSI Termination. Each case must be evaluated to determine if a new application is necessary and/or if contact with SSA is required.

A report, PMG Cases, that switched aid code or lost PMG coverage as a result of the Mass Change will be provided.

B. MEDICARE SAVINGS PROGRAMS

For all MSP, the amount of the COLA increase is not included in any determination for the first quarter of the calendar year, or until the new poverty levels are implemented for the calendar year. KEES accommodates this policy and will apply a disregard for any MSP budget determined through an online or batch EDBC.

New Resource limits for these programs are also effective January 1, 2024. The levels in KEES will be updated to reflect the new standards.

Single Individuals increased from \$9,090.00 to \$9,430.00.

Couples increased from \$13,630.00 to \$14,130.00.

Determinations for the benefit month of January 2024 and later will be made using the new resource standards.

C. WORKING HEALTHY

An increase in income does not impact a Working Healthy program except at review; therefore, no changes to Working Healthy programs due to the COLA are expected.

D. MEDICALLY NEEEDY

Income and Medicare expense records will be updated for all Medically Needy cases. However, programs that do not have a current Medically Needy base are excluded from the EDBC portion of the batch. This is done to avoid establishing a new base period. Any program with an active Medically Needy program and a base period that expires on or before January 31, 2024, will appear on the 'Medically Needy Exclusion' report and must be reviewed. Staff must determine if a new base period is appropriate for these cases using existing rules and processes. Some programs may also be due for review in February.

Regarding the Medical RMT: Any program block for an MSP only program that has an RMT of 'Medical' would likely have a new base period established when the Batch EDBC runs. Staff must take extra care to ensure the correct RMT is in place when completing any processing to avoid a similar change in the future.

All other Medically Needy programs should be updated by the batch and a new spenddown amount will be established. The new amount will include the new SSA benefit as well as any Medicare premium updates.

It is possible that some programs will be redetermined in the Medically Needy group following the execution of Batch EDBC. If the case was properly coded in KEES, this would be a rare occurrence. Because of this, cases with a change to a Medically Needy program must be reviewed. These cases will appear on the report 'Suspect Cases'.

E. LONG TERM CARE

When the COLA batch processes a long term care program, the EDBC process will recalculate both eligibility and the patient liability/client obligation/participant obligation. Most individuals are eligible under a 300 Aid Code and will have a new obligation established with the COLA updates. A case is identified as LTC by the presence of an active LTC record on the LTC Data Details page in KEES. If the information on this page is inaccurate or incomplete, unexpected changes could result. Medical expenses listed on KEES will also impact the outcome of both the EDBC and any resulting liability change.

I. HCBS AND PACE (IN THE COMMUNITY) PROTECTED INCOME LIMIT

Effective January 1, 2024, the HCBS and PACE (in the community) PIL will increase because of the 300% limit increasing with COLA. The PIL for these programs will increase from \$2,742 to \$2,829 effective January 1, 2024. Active recipients of HCBS and PACE (in the community) will be impacted when EDBC is ran effective February 1, 2024, and a special report containing the new cost sharing amounts will be generated as indicated in section 9.C. above to notify the MCO.

Determinations made for the benefit month of January 2024 will be made using the new PIL.

II. MN3 AID CODES

For cases previously determined eligible under this group, the automated mass change process is expected to calculate correctly. Cases with income more than the 300% limit will recalculate and, if the cost of care listed on the LTC Data Details page exceeds the resulting liability, the case will continue eligibility with only a liability update. However, if, after the mass change, the liability is now greater than the cost of care, a change in coverage will likely result. These will most likely convert to a medically needy program. Staff must review each of these cases to ensure the action is correct.

Note: For these programs, it is critical that a Facility Form be sent by the worker as the special process noted above regarding the Facility Lists will not include cases that do not have a patient liability.

Cases newly determined eligible for the MN3 code are considered accurate if the cost of care on the LTC Data Details page is correct. However, because staff were not required to obtain this information for cases under 300% income threshold, it is highly unlikely the case is accurate. Therefore, it is necessary to review all cases newly determined eligible for MN3.

A list of cases that are impacted by either issue will be included on a report, “Cases with Income Over 300% SSI (MN3)”. Staff must review these cases and make updates as necessary.

III. SSI RECIPIENTS

The following LTC Populations will be impacted by COLA:

- (a) Some residents of state institutions or nursing facilities who receive SSI income may also have a patient liability if their income is above the \$62 PIL; primarily, residents of NF MH facilities who are between the ages of 22 and 64. The SSI income record will be updated, and eligibility will be recalculated for these individuals. Notices will be generated automatically through the mass update process. Cases that come out of the COLA batch with a patient liability inconsistent with their situation will be included on a special report of “Suspect Cases”. Staff are expected to review these cases and ensure the eligibility outcome is correct based on the individual’s situation. In some cases, other coding issues, such as incorrect level of care codes, may be causing a problem. A report of suspect SSI cases in a Nursing Facility with an obligation will be provided.
- (b) Persons receiving HCBS or Community-Based PACE who receive SSI do not have a client obligation. With the increased HCBS PIL that was effective July 2021, these individuals should not experience a change in share of cost the COLA; however, if an obligation was previously set, an underpayment must be considered.
- (c) Persons in a Temporary Care arrangement who receive SSI do not have a patient liability. An existing defect in KEES will determine a liability if income exceeds the appropriate PIL. These cases must be evaluated to ensure a patient liability is not established. In addition, if an obligation was previously set, an underpayment must be considered. A report, “SSI recipients in TC”, will be provided and must be processed.

F. SUBSTANTIAL HOME EQUITY

The Substantial Home Equity limit is increasing to \$713,000 effective January 1, 2024. Cases that are impacted by this increase are to be identified no later than the next review and appropriate action taken. A report of cases with home equity limits more than this amount will be provided.

13. CASES WITH UNEXPLAINED AID CODE OR COST SHARING CHANGES

For most cases, changes because of COLA will be relatively minor – small adjustments in patient liability or spenddown or a minor change in aid code. Some cases will experience a significant change following execution of COLA. This may be a large change in cost share of hundreds, or even thousands of dollars, incorrect eligibility or unexplained notices. These changes usually indicate a problem with data on the system. This could be the result of incomplete conversion clean up. Several other factors may also cause a case to experience unexplained changes. Reports of various Suspect Cases will be provided. When reviewing these cases, several items must be explored to determine if additional action is needed:

A. CASES THAT EXPERIENCED DATA CHANGES BUT EDBC WAS NOT EXECUTED

This could include cases with expired expenses, income changes, updated medical conditions, etc. If this is the first time EDBC was executed following those updates, changes to coverage could be significant. In many instances, the resulting eligibility is correct based on the data; however, the notice of action may not fully explain the change. In these cases, it may be necessary to send a supplemental notice or make other adjustments.

B. INCORRECT RMT

If the RMT is set as Medical for a program, all programs will be considered and may be authorized from the mass change.

C. PROGRAMS IN PROGRESS

Although the mass change will not execute against a pending program or person, programs that have incomplete process changes may be mass changed. These may include individuals transitioning living arrangements, undergoing a change brought on by the Protected Filing Date policy or other changes.

To mitigate this issue, KEES will exclude from processing all cases in the Outstationed Worker queue to avoid shifts in coverage prior to authorization. State staff must ensure they are considering the changes related to mass change when processing actions on or after November 17th. A report will be provided.

14. OTHER CASES THAT REQUIRE MANUAL PROCESSING

The following sections outline additional cases that will require manual processing:

A. OVERRIDDEN BUDGETS

Programs with overridden budgets will be skipped by batch EDBC following the COLA Batch. This means these programs will continue to receive coverage at the same level as prior to the mass change until the next time an online EDBC is executed. Overridden programs must be manually processed for the COLA increase and other changes to take effect. On programs where the override is no longer needed, simply reauthorizing coverage may be sufficient to properly work the case. If the override is still needed to ensure accurate results, the case must be manually processed. A report of cases with Overridden Budgets will be distributed, with high priority given to Long Term Care cases.

Please also refer to PD2020-03-01, PM2020-04-01, PD2020-10-01, PM2020-11-01, PM2021-03-01, PM2023-03-02 V3, and PM2023-08-01 when reviewing and updated overridden budgets.

B. READ ONLY/SKIPPED CASES:

Cases may be skipped by the Mass Change if there are issues with the data on the case that will prevent the EDBC from executing. Staff must review these cases to determine the issue and make necessary corrections. Coverage will continue at the same level as in place prior to the mass change. Manual processing is required, and a report will be provided. This report will be combined with the report of discontinued cases noted in section 8(d), Discontinued Cases.

15. COLA CHANGES – COORDINATION WITH REVIEWS

December reviews (where coverage expires December 31, 2023) will be processed through the review batch on November 9, 2023. Notices and forms were mailed to consumers and administrative roles as required. Passive and Super Passive reviews were given updated information regarding benefits and coverage for January 2024. Pre-Populated reviews were instructed to return their review by December 15th or coverage would end December 31, 2024.

Because the review batch is processed before COLA mass change, reviews are processed using the old income amounts – prior to the COLA income update. When the COLA batch executes, and the new income amounts are determined, a new notice may result if there is a change in the individual's share of cost (i.e., spenddown amount, patient liability, or client obligation). This will likely be different than the notice generated from the review batch.

16. SUMMARY – PROGRAMS EXCLUDED FROM COLA BATCH PROCESSING

The following is a complete list of all programs excluded from COLA Batch processing. Programs may be completely excluded or excluded only from one of the updates. Issues that require manual processing by staff are noted in Section 18 below.

- a) Medically Needy with an Expired Base Period: Programs that have a Medically Needy base period expiring on or before January 31, 2024, will be updated. All steps (SSA income, SSI income, Medicare, and Medical Condition) will be executed. Only the final Batch EDBC will be eliminated. These cases will require manual processing.
- b) Programs with An Expired CE Period: Programs that have an individual with an expired CE period will be excluded from the batch to avoid an incorrect change in coverage. All steps (SSA income, SSI income, Medicare, and Medical Condition) will be executed. Only the final Batch EDBC will be eliminated. Manual Processing is required.
- c) Work in Progress: Outstationed Worker Queue: Programs in the Outstationed Worker queues will be updated. All steps (SSA income, SSI income, Medicare, and Medical Condition) will be executed. Only the final Batch EDBC will be eliminated. Manual processing is required.
- d) Skipped/Read Only/Potentially Discontinued Programs: Any program or person that would have been discontinued by the batch EDBC will be excluded. All steps (SSA income, SSI income, Medicare, and Medical Condition) will be executed. Only the final Batch EDBC will be eliminated. Coverage is to remain in effect until the program is reviewed. Some programs will indeed result in discontinuance following the review (Note: COVID-19 PHE and Unwinding policies and processes are applicable). Manual processing is required.
- e) Presumptive Eligibility Programs: Any program with an open PE Block is excluded from the Batch EDBC. All steps (SSA income, SSI income, Medicare, and Medical Condition) will be executed. Only the final Batch EDBC will be eliminated. Manual processing is required.

17. SUMMARY – PROGRAMS THAT REQUIRE MANUAL PROCESSING

The following types of programs will require some form of manual processing. Reports will be provided as soon as available following the COLA run. Note: COVID-19 PHE and Unwinding policies and process apply.

- a) Medically Needy with Expired Base Periods: These programs must be processed to determine if a new base period is appropriate. Staff should use existing processes to determine if a new base period is to be established. Although the SSA income should be updated as part of the COLA process, staff should check the income budgeted on the case when processing. Staff shall use existing processes to complete this work. Necessary case work must be completed prior to KMMS Monthly. See the Processing Deadline Code Cards in the KEES Repository for information about the date in which KMMS Monthly occurs.
- b) Protected Medical Groups: These programs are currently eligible for a PMG benefit or are potential PMG programs. For current PMG programs, staff must ensure a valid ES-3104.6 is on file and ensure all coding in KEES is accurate.

- c) Allocated Income: This report identifies all programs with a current income allocation. These cases must be reviewed to determine if the allocation is correct. This involves checking both the income of the LTC spouse as well as that of the Community Spouse and all dependents.
- d) Programs Where EDBC processed with Override: These programs will not execute properly out of the COLA Batch due to an Overridden EDBC. These programs must be reviewed and manually processed to ensure correct eligibility is provided. Programs at greatest risk for error are identified as high priority.
- e) Programs with Income Over 300% SSI (MN3): These are programs that are currently receiving coverage under the MN3 Aid Code or need to be considered for coverage under this category. These programs must be reviewed to ensure coding is correct, including the Cost of Care on the LTC Data Details page.
- f) Skipped/Read-Only/Potentially Discontinued Programs: Programs resulting in a discontinued or skipped EDBC are processed as Read Only by the batch. This means the program will continue at current benefit levels until the next time it is touched. Many of these programs have inconsistent or incorrect data in KEES that is causing the problem. These programs should be reviewed to determine the issue. Some programs will indeed result in discontinuance following the review. Manual processing is required.
- g) SSI Programs in Temporary Care: These programs are incorrectly determined with a liability or obligation. Staff must review and process to ensure the program does not have a liability.
- h) SSI Programs That Appear to be Losing SSI: This report identifies programs that appear to be losing SSI based on information received from SSA. Staff must research these programs and take appropriate action. These programs will continue to receive coverage at previous levels until action is taken. Note that information provided with KDHE Policy Memo 2018-10-01, SSI Termination, changes the process used in previous years.
- i) Suspect Cases: Those with unexplained aid code changes, large liability fluctuations or other suspect results from the Mass Change. All cases must be researched to determine if changes must be processed. Various reports may be provided.
- j) MediKan Programs: MediKan programs that switch to SSI are considered correct because the SSI information comes directly from Social Security. However, programs with changes to other Aid Codes or a Share of Cost must be reviewed.
- k) State Queue Programs: These programs were withheld from the Batch EDBC because action is necessary by State Staff. Process according to existing instructions. Note: a special report will not be provided as existing processes will be used to identify these cases.

- l) Outstationed Worker Cases: These cases were withheld from the Batch EDBC because action is needed by State Staff. Process according to existing instructions. Note: a special report will not be provided as existing processes will be used to identify these cases.
- m) SSI Programs in an NF with an Obligation: The EDBC batch will redetermine a patient liability for these programs and generate a notice. However, programs with inconsistent results will require manual review. Staff must ensure the program is processed correctly.
- n) Family Medical Suspect Cases: This is a list of Family Medical programs that have a suspect change - generally a suspicious share of cost or aid code change. These programs must be reviewed to determine if the action was correct and rework as necessary.
- o) Railroad Retirement Recipients: A report of all individuals who have Railroad Retirement benefits currently budgeted was sent to the RRB. Upon receiving updated information from RRB, the new income amounts will be provided to staff to update the budget.
- p) VA Benefit Recipients: A report of all individuals who have Veterans Benefits currently budgeted was sent to the VA. Upon receiving updated information from VA, the new income amounts will be provided to staff to update the budget. As VA has not acknowledged the request to date, the information is not expected to be available through a centralized process. Updates are dependent upon client report.

18. KDHE FORM UPDATES

The following forms and other documents are being updated because of the COLA. New versions of these documents will be available on the KDHE Eligibility Policy website prior to the COLA batch run.

- a) ES-3014.6 Pickle Worksheet
- b) ES-3162 Resource Assessment and Allowance Determination
- c) ES-3163 Income Allowance Determination
- d) F-8 Kansas Medical Assistance Standards
- e) KC-7000 300% Income Chart
- f) KC-2700 Medicare Savings Program Brochure
- g) KC-2700S Medicare Savings Program Brochure – Spanish
- h) Division of Assets – Fact Sheet
- i) Overview of Programs for Elderly and Persons with Disabilities -Fact sheet

QUESTIONS

For questions or concerns related to this document, please contact the KDHE Medical Policy Staff at KDHE.MedicaidEligibilityPolicy@ks.gov.

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Questions regarding any KEES issues are directed to the KEES Help Desk at KEES.HelpDesk@ks.gov.